C1750-1

The Fifth Estate

RADIO TELEVISION CABLE SATELLITE

Broadcasting Dec 18

INDUSTRY ASTIR

59th Year 1989

Vol. 117 No. 25

Broadcasting Dec 18

Turner buy... Althcugh details are still sketchy, it appears Turner Broadcasting System will buy MGM/UA's film library, consisting of almost 1,000 titles. **PAGE 43.**

News from Anaheim... As cable executives descended on Anaheim, Calif., for annual Western Cable Show, most pressing issue

L-r: John Malone, John McLaughlin, Ron Howard and Ted Turner

appeared to be proposed reregulation of cable. **PAGE 43.** Other issues were also discussed, including predictions from opening session panelists that networks' combined share of TV audience will almost certainly fall below 50% in next decade. **PAGE 44.** Prospects of cable deregulation bill get different odds from House and Senate counsels. **PAGE 45.**

Trey Smith chairman of California Cable Television Association and VP, operations, Times Mirror Cable

Panelists list economic good news and bad facing cable's future. **PAGE 46.** SportsChannel takes Oakland A's and San Francisco Giants away from Pacific Sports Network. **PAGE 47.**

Sagansky signed... Officials at CBS and Tri-Star Pictures confirm that agreement has been reached enabling Tri-Star President Jeff Sagansky to assume head post at CBS Entertainment. **PAGE 50.**

50/ ***DEALER REPRISAL***
Some auto dealers pull ads from several ABC affiliates, following story on network's *20/20*.

52/ ***NAME OF THE GAME***
Many syndicators will bring their game shows to NATPE '90, competing for station interest, time period positioning and viewer response.

56/ ***NEW C-W SITCOM FOR NBC***
NBC will add third situation comedy from producers Marcy Carsey and Tom Werner to its schedule.

68/ ***PEOPLEMETER REVIEW***
Broadcast television networks unveil study of peoplemeters that says current system works, but could use improvement.

74/ ***REMATCH IN HDTV***
It appears Leonard-Duran boxing match could be pivotal event that leads to widespread comercial use of high-definition television.

82/ ***CUBAN DELEGATION***
Group of broadcasters, Representative Al Swift and some congressional staffers are traveling to Havana to discuss Cuban interference to American AM stations.

84/ ***NEW TV FRONTIER***
BROADCASTING speaks with two principals of New Zealand's just-expanded TV broadcasting industry.

88/ ***U.S. RADIO VOICE***
Time has come, according to audience research officer of Voice of America, for U.S. to combine VOA and Radio Free Europe/Radio Liberty.

97/ ***AD-VANTAGE***
PaineWebber conference presents bullish ad forecasts for media next year.

119/ ***SPREADING THE NEWS***
Malcolm S. (Steve) Forbes Jr., president and COO of Forbes Inc., and deputy editor in chief of *Forbes* magazine, has for past seven years, also headed Board for International Broadcasting, supervising Radio Free Europe and Radio Liberty.

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Broadcasting (ISSN 0007-2028) is published 52 Mondays a year by Broadcasting Publications Inc., 1705 DeSales Street, N.W., Washington, D.C. 20036. Second-class postage paid at Washington, D.C., and additional offices. Single issue $2 except special issues $3.50 (50th Anniversary issue $10). Subscriptions, U.S. and possessions: one year $70, two years $135, three years $190. Canadian and other international subscribers add $20 per year. U.S. and possessions $235 yearly for special delivery, $100 for first-class. Subscriber's occupation required. Annually: *Broadcasting* □ *Cable Yearbook* $115, *Across the Dial* $9.95. Microfilm of *Broadcasting* is available from University Microfilms, 300 North Zeeb Road, Ann Arbor, Mich. 48106 (35mm, full year $55). Postmaster, please send address corrections to *Broadcasting*, 1705 DeSales St., N.W., Washington, D.C. 20036.

BY THE NUMBERS 1

The pairing of NBC's *True Blue* and *Mancuso, FBI*, which stars Robert Loggia (shown at right), seems to have helped the network's Friday night lineup. *True Blue* pulled in an 11.2 rating/19 share with its premiere in Week 12 from 9 to 10 p.m., better numbers than those garnered by the timeslot's predecessor, *Hardball*. That show went off the air for retooling after six weeks with a season to date average of 10.1/18. *Hardball*'s best rating in the Friday timeslot was a 10.4/18, while a Thursday night broadcast at 10

during Week Two brought in a 15.3/17, which represented a drop in ratings from a 90-minute debut in Week One on Thursday starting at 9:30 that scored a 17.8/30. *Mancuso*'s season average is currently at 10.3/19. The Week 12 installment pulled in an 11.0/20 to rank 51st for the week, the show's best numbers in the timeslot. (*Mancuso* also had an airing in NBC's *L.A. Law* timeslot on Thursday, during Week Five, when the show averaged a 13/22.). *True Blue* aired in Week 11 as an

"By the Numbers" continues on page 14

RATINGS ROUNDUP

Week 12 • Dec. 4–Dec. 10

Rank/trading	▫	Network	▫	Show
1		24.3/39	N	*Cosby Show*
2		24.2/38	N	*Cheers*
3	▲	23.5/36	A	*Roseanne*
4		23.0/37	N	*Different World*
5		20.4/33	N	*Dear John*
6		19.9/35	N	*Golden Girls*
7	▲	19.5/31	C	*60 Minutes*
8	▼	18.9/28	C	*Murder, She Wrote*
9	▼	18.8/32	N	*L.A. Law*
10	▲	18.7/33	N	*Empty Nest*
11	▼	18.5/29	A	*Wonder Years*
12	▲	17.5/28	A	*Who's the Boss?*
13	▲	17.4/27	A	*Coach*
14	▲	16.3/25	N	*In the Heat of the Night*
15	▲	16.1/28	A	*Full House*
16	▼	15.8/25	N	*Unsolved Mysteries*
17	▲	15.7/24	C	*Designing Women*
18	▲	15.3/28	N	*Hunter*
19	▼	15.3/27	A	*Monday Night Football*
20		15.1/24	C	*Newhart*
21	▲	15.1/27	A	*20/20*
22	▲	15.0/23	N	*Hogan Family*
23	▼	14.9/24	N	*NBC Monday Movie*
24	▼	14.8/23	N	*Matlock*
25	▲	14.3/25	A	*Family Matters*
26	▲	14.3/21	C	*Murphy Brown*
27	▼	14.1/22	N	*Night Court*
28	▲	14.0/24	C	*Knots Landing*
29		13.9/22	A	*ABC Sunday Movie*
30	▼	13.9/23	N	*Cheers*
29	▼	13.8/22	A	*Growing Pains*
32		13.8/24	N	*Midnight Caller*
33	▼	13.6/21	N	*ALF*
34	▲	13.4/22	C	*CBS Sunday Movie*
35	▼	13.4/21	A	*Head of the Class*
36	▲	13.2/22	A	*Perfect Strangers*
37	▲	12.8/21	A	*Just the Ten of Us*
38	▼	12.7/20	A	*Doogie Howser, M.D.*
39	▼	12.5/22	A	*Hiroyonmaking*
40	▲	12.4/21	C	*Dallas*
41	▼	12.1/18	C	*Jake and the Fatman*
41	▼	12.1/19	C	*Major Dad*
43	▲	11.8/21	A	*China Beach*
44	▲	11.7/21	C	*Doctor, Doctor*
45	▲	11.7/19	N	*My Two Dads, Wed*
46	▲	11.4/17	F	*Married...With Children*
47	▼	11.3/18	A	*NBC Sunday Movie*
47		11.3/20	N	*227*
49		11.2/19	N	*True Blue*
50	▲	11.1/17	F	*Totally Hidden Video*
51		11.0/20	N	*Mancuso, FBI*
51	▲	11.0/20	C	*Wiseguy*
53	▼	10.3/17	A	*MacGyver*
54	▼	10.1/18	A	*Anything but Love*
54	▼	10.1/18	C	*Rescue: 911*
56	▼	9.9/15	N	*Ann Jillian*
56	▲	9.9/16	C	*Falcon Crest*
56	▼	9.9/16	N	*Magical World of Disney*
56		9.9/15	C	*Night Before Christmas*
60	▲	9.8/15	F	*America's Most Wanted*
61	▼	9.8/16	N	*Quantum Leap*
62	▼	9.6/15	N	*Sister Kate*
63	▼	9.4/16	N	*Baywatch*
64		9.2/15	C	*Bugs Bunny Christmas*
64	▲	9.2/14	C	*Famous Teddy Z*
64	▲	9.2/15	A	*Life Goes On*
67	▲	9.0/14	C	*48 Hours*
68	▼	8.9/16	C	*Paradise*
69	▼	8.7/14	C	*CBS Thursday Movie*
70	▲	8.4/13	A	*Free Spirit*
70	▼	8.4/14	A	*Mission: Impossible*
72	▼	8.2/13	A	*Ferris Bueller*
73	▲	7.4/11	A	*Homeroom*
74	▲	7.3/13	F	*Cops*
74	▲	7.3/12	C	*Tour of Duty*
76	▼	7.2/13	A	*ABC Mystery Movie*
76	▲	7.2/11	F	*Open House*
78	▼	7.0/13	C	*Sat. Night with Connie Chung*
79	▼	7.0/12	C	*Snoops*
80	▼	6.9/11	C	*Top of the Hill*
81	▼	6.7/12	A	*Mr. Belvedere*
82	▲	6.6/12	A	*Living Dolls*
83	▼	6.2/10	F	*21 Jump Street*
84		6.4/9	A	*Knapp Report*
85	▼	5.3/8	F	*Alien Nation*
86		5.3/9	F	*Booker*
87	▼	4.8/8	A	*Reporters*
87		4.8/8	F	*Tracey Ullman Show*
89	▼	3.7/6	F	*Beyond Tomorrow*
90		3.1/5	F	*Garry Shandling's Show*

Guide to symbols:

▼ — Down from last week ▲ — Up from last week

FREEZE FRAMES: Top-ranked shows in Abritron's 14 metered markets for Week 12

Ranked first in seven cities: Boston, Chicago, Cleveland, Dallas, Denver, Houston, Philadelphia—*Roseanne* ABC

Ranked first in five cities: Atlanta, Detroit, Los Angeles, Miami, Washington—*Cosby Show* NBC

Ranked first in one city: New York—*Golden Girls* NBC

Ranked first in one city: San Francisco—*Cheers* NBC

From Week 11, ABC's *Roseanne* added Boston, Chicago and Denver, and dropped Miami. NBC's *Cosby Show* picked up Miami but lost New York to *Golden Girls*.

Source: Arbitron Ratings

Summary of Broadcasting & Cable

BROADCASTING

SERVICE	ON AIR*	CP's†	TOTAL*
Commercial AM	4,966	257	5,223
Commercial FM	4,251	770	5,039
Educational FM	1,414	261	1,675
* Total Radio	10,631	1,287	11,938
Commercial VHF TV	548	21	569
Commercial UHF TV	540	199	739
Educational VHF TV	122	6	128
Educational UHF TV	233	23	248
* Total TV	1,439	263	1,684
VHF LPTV	390	205	595
UHF LPTV	234	1,698	1,932
* Total LPTV	624	1,713	2,327
FM translators	1,797	310	2,107
VHF translators	2,717	122	2,839
UHF translators	2,476	427	2,903

CABLE†

Total subscribers	50,897,000
Homes passed	73,900,000
Total systems	8,500
Household penetration	68.8%
Pay cable penetration ‡	39.4%

* Includes off-air licenses † Penetration percentages are of TV household universe of 90.4 million. † Construction permit. ² Instructional TV fixed service. ³ Studio-transmitter link. Source: Nielsen and Broadcasting's own research.

"By the Numbers" continues from page 10

NBC Sunday movie and grabbed a 14/22.

The big three networks delivered a low 34.45 million households during Week 12, when they averaged a combined 37.4/61.7. With the holiday season, TV viewing tends to slump until about Week 15 or 16. NBC won the week with a 14.2/23.6 over ABC's 11.9/19.6 and CBS's 11.3/18.5. In the evening news race, ABC continues to chalk up consecutive wins. The current finish gave ABC an 11.2/21 win over CBS's 10.2/19 and NBC's 9.9/18.

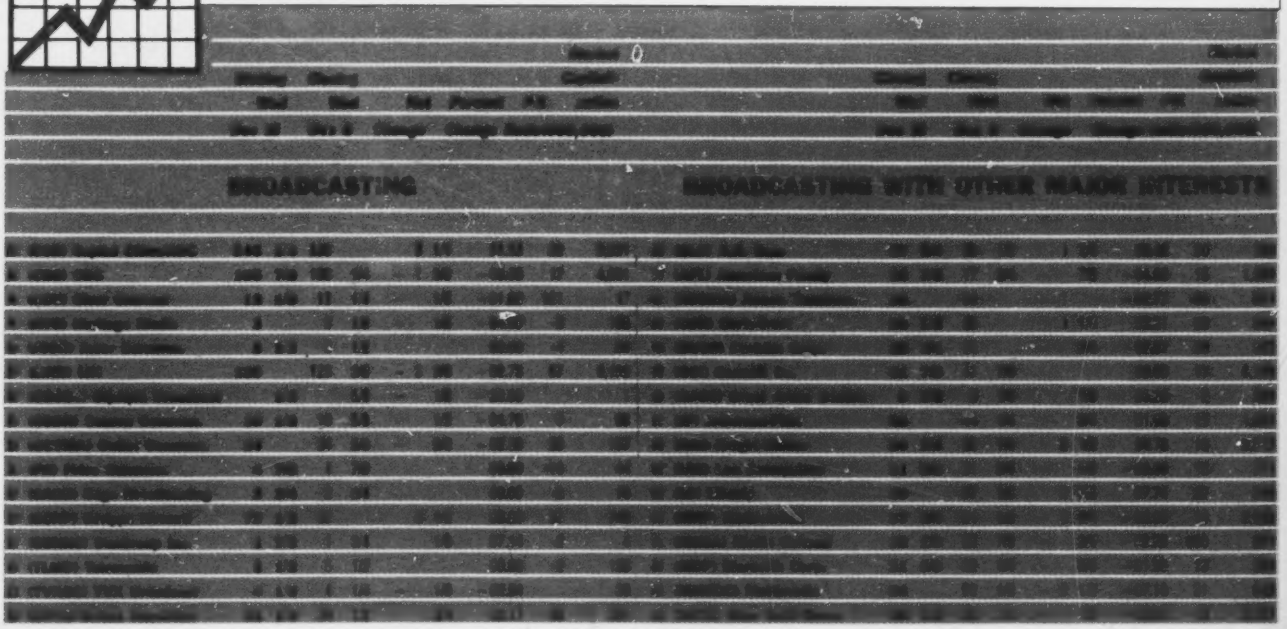
For the third time this season, NBC won Monday night, this time with a 14.7/23.3 over ABC's 14.1/22.6. NBC also won Wednesday, Thursday and Saturday. ABC picked up Tuesday and Friday, while CBS held on to Sunday.

MarketScope

The Standard & Poor's moved up 1.09%, or 4.36, to close at 403.07, but the advance-decline ratio for the Stock Index was low, standing at 46-63 with 19 stocks unchanged. The ratio had been doing better over the last several weeks, with advances outpacing declines as of Dec. 6, 57-42, and running even the week ended Nov. 29 at 53 advances and 53 declines. The ratio dropped to 34-70 as of Nov. 21 after having pushed up to 68-45 at the close of trading on Nov. 15. In the same period of time, the S&P has moved up 3.84%, with the last three sessions each posting gains. The S&P last broke through the 400 level on the Stock Index in late September and early October, when, on Oct. 4, the index closed at 407.4. Over the last 12 months, the S&P has traded at a high of 410.49 and a low of 316.24 and is up 25.47% since the beginning of the year. Capcities/ABC (symbol CCB) picked up 8¼ to close at 546¼. Multimedia (MMEDC) lost 6½ to close at 84.

Stock Index Notes: T-Toronto, A-American, N-NYSE, O-NASDAQ. Bid prices and common A stock used unless otherwise noted. P/E ratios are based on earnings per share for the previous 12 months as published by Standard & Poor's or as obtained by Broadcasting's own research.

STOCK INDEX 1



STOCK INDEX 2

	Closing Wed Nov 22	Closing Wed Nov 8	Net Change	Percent Change	P/E Ratio	Market Capitalization ($000,000)
PROGRAMING						
CABLE						
SERVICE						
EQUIPMENT & MANUFACTURING						

tion owners, general managers and sales managers. Notre Dame, Ind. Information: National Association of Broadcasters Radio Office, (202) 429-5420.

June 10-14—*Broadcast Promotion and Marketing Executives and Broadcast Designers Association* annual conference. Bally's, Las Vegas.

■ **June 15-16**—*Texas Association of Broadcasters*

"Datebook" continues on page 102.

Open Mike

Facts of life

EDITOR: I can neither prove nor disprove (has anyone statistics?) Mr. Amos Hostetter's negative view of the argument that the broadcasting signals are the most valuable to cable in the Dec. 4 BROADCASTING.

His quote, though, that "If the broadcast programing is what the subscribers want, they can simply erect an antenna and get it" made my all-time laugh list.

Mr. Hostetter may know cable. He clearly does not know New York. The last time I asked my landlord (not everyone in New York, and I suspect this may be true of other locations, owns their own houses with picket fences or land; we have land "lords") for permission to hang a short-wave antenna wire out the window, he threatened to call the cops.

In the case of a TV antenna on the roof (*his* roof, Mr. Hostetter), the going monthly rental for same would probably allow me to buy a cable system in a tertiary market over a few years' time.

I do not wish to live in a tertiary market and I *do* wish to watch broadcast programs. The only way (and I suspect I am not alone and this is not only true of New York) many apartment dwellers can receive broadcast programs is via cable. (An apartment dweller, Mr. Hostetter, is someone who generally lives in a city where over-the-air reception is very poor. In my case, not poor: impossible.)

Perhaps we can make a deal. If Mr. Hostetter will educate me on the tastes and desires of cable program (not cable, but cable program) viewers, I will be happy to introduce him to the New York landlord, a breed whose greed and avarice is such that, as several lawyers of my acquaintance have pointed out, they are to be approached only with a lawyer—and a whip—in hand.—*Bert Cowlan, consultant, New York.*

Commercial complaint

EDITOR: As a television instructor in the broadcasting department of Chicago's Columbia College, I often share with my students examples of what I consider to be questionable ethics on television. Recently, I asked my students what they thought about the ad campaign launched by Stroh's in which various contemporary political figures such as Daniel Ortega and Fidel Castro are given a lip-sync track, a la Woody Allen's "What's Up Tiger Lily?" to pitch Stroh's Light. They all agreed the ads were funny, and most all knew the lines from the ads, but when I asked them "Who is Daniel Ortega?" an icy silence descended. Finally one brave soul ventured, "Isn't he the president of Israel?" To anyone in the field of teaching, this isn't funny, it's just business as usual in a world where media trivializes all.

Recent surveys have shown that not only students but average Americans have trouble even locating the United States on a map of the world. The same taxpayers funding our continued involvement in Central America probably think Nicaragua is next door to Poland, or maybe Iowa. Should the leader of an emerging third-world country be portrayed as a buffoon for a beer ad? How does a young mind sort out the news from the ads when only the funny voices change? Does the "bona fide news" category allow for such paradoxical images?

I told my students I would write this letter in hopes of stirring some debate among your readers. I, for one, would like to hear some of the real words coming from Daniel Ortega more often on the news, instead of lip service from Stroh's.—*Brian K. Read, faculty, television department, Columbia College, Chicago.*

AIM'S MEDIA MONITOR for Dec. 13 tells how inaccurate reporting blamed the murder of the 6 priests in El Salvador on the army or right-wing death squads and tells why that may be wrong.

To balance your news get Media Monitor, AIM's provocative daily radio program. For a sample tape contact Debby Lambert

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The Fifth Estate

Broadcasting incorporating **TELEVISION**

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Broadcasting Publications Inc.
A Times Mirror Business Publication
Lawrence B. Taishoff, *president*
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Founded 1931. *Broadcasting-Telecasting*® introduced in 1946. *Television*® acquired in 1961. *Cablecasting*® introduced in 1972. ® Reg. U.S. Patent Office.

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Bullish ad forecasts for media in 1990

Prognosticators at PaineWebber panels see strong advances by cable, syndicated TV, radio

Advertisers were told to expect very gradual improvements in growth rates for the 1990's at the opening panel of PaineWebber's 17th annual conference on the Outlook for Media last week. Broadcasters were optimistic, and cable executives were bullish in their outlooks for their respective industries.

Robert J. Coen, senior vice president and director of forecasting, McCann-Erickson advertising agency, predicted that advertising expenditures in the U.S. in 1990 would increase by 6.2% over 1989 to $132.64 billion.

Advertising spending in the U.S. for 1989 grew by 5.8% to $124.84 billion, said Coen, slightly less than the 6.1% growth he had predicted for the year. "The surprise was the strength in the major mass consumer media," said Coen. "This is really good news—a sign that there is some developing strength in the advertising demand of the major mass consumer media." Coen noted that national broadcast media did better than expected, as did national print (newspapers and magazines).

Among the seven categories of major mass media that posted increases in national budgets in double digits were cable TV (a 30% increase to $1.225 billion); syndication TV (a 35% increase to $1.215 billion), and radio (network and spot), with a 10.4% increase to $2.035 billion. Total national advertising grew at a rate of 5.9% to $69.5 billion.

Local media posted gains as well. According to Coen's numbers, local television ad expenditures in 1989 increased 6.9% to $7.775 billion (versus 1.0% increase for network TV to $9.26 billion and spot TV at $7.4 billion, a 3.5% increase). Local radio increased 6.6% to $6.35 billion. Newspapers posted moderate gains at both the national level (3.2% to $3.7 billion) and at the local level (4.3% to $28.81 billion). Total local media increased at a 5.5% rate to a total $55.34 billion.

Coen believes that a number of mixed factors will affect the outlook for the 1990 advertising numbers. Most notably, he sees present economic expectations for a slow 1990 to be indicative of a coming recession. Looking at 1989 numbers, the country had a nominal GNP growth rate of 7.2% and an ad rate growth of only 5.8%. If the economy does slow down, the ad rate growth will slow down as well. However, 1990 will not be a post-Olympic year, and a cursory look at recent trends in top and secondary product categories reveals that the marketplace looks better than it did in 1985, the previous post-Olympic year.

In the top product categories, automobiles and restaurants posted large increases, even though both categories spent heavily in the Olympics. Automobiles showed a 12% increase in spending for 1989, and restaurants increased their spending by 8%. Figures reported include spending in network TV, spot TV and magazines.

In the secondary products category, Coen reported that the media marketplace looks better as well. Cigarettes showed a 21% increase (all in the magazine category) and apparel showed an overall growth of 19%. "We do see signs under the surface," said Coen, "that in the media marketplace, ad demand is picking up. But it is a gradual thing."

Coen also sees an end to the huge mergers and acquisitions that have affected spending, restructuring led to a decrease in ad demand. He sees marketers getting back to focusing on traditional advertising and marketing concerns.

The U.S. advertising outlook in 1990 (compared to 1989): national broadcast up 6.9% to $22.59 billion; national print up 6.6% to $11.14 billion; direct mail up 5.5% to $23.395 billion, and other national up 6.2% to $16.725 billion, for a national total of $73.85 billion, a 6.3% increase.

Local advertising projections have newspaper up 6% to $30.54 billion; broadcast up

Breaking out the '89 budgets of national advertisers

	% change over '88	(in $000,000)
Network TV	+1.0	$9,260
Spot TV	+3.5	7,400
Cable TV	+30.0	1,225
Synd. TV	+35.0	1,215
Net & spot radio	+10.4	2,035
Magazines	+11.2	6,750
Newspapers	+3.2	3,700
Subtotal	+6.5	31,585
Direct mail	+5.0	22,175
Yellow Pages	+10.0	1,040
Other nat. media	+5.8	14,700
Total national	+5.9	69,500
Local papers	+4.3	28,810
Local TV	+6.9	7,775
Local radio	+6.6	6,350
Yellow Pages	+7.0	7,315
Other loc. media	+6.8	5,090
Total local	+5.5	55,340
Grand total	+5.8	124,840

(Source: McCann-Erickson)

SOLD!

WOYE-FM, Mayaguez, Puerto Rico, has been sold by Pepino Broadcasters, Inc., Felix A. Bonnet Alvarez and family, Principals to Prime Time Radio Corporation, Rafael Oller and J. P. McCloskey, Principals for $2,800,000.

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Fifth Estate Earnings Reports

Company	Period	Revenue (000)	% change	Earnings (000)	% change	EPS
Home Shopping Network	First	$255,200	27	$20,200	85	$0.21
Siscom	First	$436	-51	($144)	NM	($0.05)
Spelling Entertainment	First	$38,145	213	$5,813	45	$0.05

In first quarter, **Home Shopping Network** net income include $5 million extraordinary gain from repurchase of $28 million in debt, compared to similar gain of $4.7 million in prior year's first quarter. ■ **Siscom** had net income of $124,400 in prior year's first quarter. Company explained just-released results as due to "fewer than expected NewsPro sales." ■ Increase in revenue and operating income for **Spelling Entertainment** was attributed by company to added results of Worldvision Enterprises and Laurel Entertainment, neither of whose results were included in year-ago quarter's results.

6.6% to $15.04 billion; Yellow Pages up 6% to $7.755 billion, and other local up 6.9% to $5.455 billion for a local total up 6.2% to $58.79 billion, added to the national total give a grand total of $132.64 billion, a 6.2% increase.

Overseas advertising spending increased by 5% in 1989 to $127.4 billion, reported Coen. The projection for 1990 for overseas ads shows a 5% growth rate for an estimated total of $133.7 billion. Total world ad expenditures are up 5.3% for 1989 to $252.2 billion and projected to rise 5.6% for 1990 to $266.3 billion.

Clay Timon, vice president and director, worldwide advertising, Colgate-Palmolive Co., addressed the trends that he, as a client, sees ahead for the advertising marketplace, including a continuing trend toward "global brand alignment—a usage of fewer agencies and broader assignments on a global basis." Second, he finds that "global branding" is becoming more and more important. He sees the growing prevalence of global branding as an opportunity for smaller firms to become more local.

Also of growing importance to the advertising community, said Timon, is a trend toward integrated communications: "More and more advertisers are beginning to use the affiliated or subsidiary arms of their advertising agencies," he said.

Television network revenue for 1989 will finish about flat with 1988, predicted David Poltrack, senior vice president, planning and research, CBS/Broadcast Group. Adjusting the numbers for the 1988 Olympics, the underlying growth rate is approximately 6%. Looking ahead, Poltrack forecasts a gain of 8% or 9% in the three networks' revenue for 1990. In his five-year forecast, Poltrack sees a compound growth rate of about 7.5% for the networks, with national television advertising growing at 9%, with cable and syndication outpacing the networks by a decreasing percentage each year.

The status of the Fox Television Network will probably change by 1995, says Poltrack. Currently, Fox's advertising is counted as part of the syndication television category. By 1995, Poltrack believes that Fox will achieve full network status, lowering the syndication growth rate and increasing that of the networks.

Poltrack does not see a proliferation of competitors confronting the networks in the 1990's. "The twin forces of cable and VCR penetration growth and competitive proliferation will not drive down network shares in the 1990's to the extent they did in the 1980's," he said. "The battle for viewers in the 1990's will be fought on the programing and marketing fronts."

Poltrack expects more competition from cable in original programing, but largely due to "intra-cable" competition than as a challenge to the broadcast networks. Poltrack also views the intra-cable competition as a force that will eventually lead to consolidation in the cable industry.

Consolidation in the independent television sector has already begun, according to Poltrack. "The agent of consolidation is the Fox Television Network," he said. By lining up the nation's strongest independent stations as affiliates, Poltrack said, "it has made those stations stronger." By the same token, argued Poltrack, Fox has made the rest of the independents weaker.

"As Fox moves to full network status," he said, "the nonFox independents will be affected in two ways." Those stations will continue to lose audience to Fox affiliates, he said, and Fox will undermine the economic base of the national spot television market by drawing money out of that market. Another possible fallout from Fox, said Poltrack, is for nonaffiliated stations to join in ad hoc networks, or "perhaps even a fifth network," he said.

Poltrack closed by expressing a desire to see both the consent decrees and the financial interest and syndication rules eliminated. Poltrack said that only then would he consider the playing field level. "Given that level playing field," he said, "we are confident that the networks will not only survive, but thrive, during the 1990's."

HBO's Bigelow predicts number of pay TV homes will increase by 1995

Speaking on the outlook for cable, Thayer Bigelow Jr., president, Home Box Office Inc., projected an increase of 7 million pay cable television homes by 1995 (from the current 22.3 million homes) and an increase of 13 million basic cable television homes from the nearly 50 million wired today. By 1995, Bigelow expects cable penetration to

METROPOLITAN BROADCASTING INC.
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reach 65% to 67% of the country.

There are a number of factors that Bigelow sees shaping television in the 1990's. He sees the continued fragmentation and proliferation of channels as a factor increasing the competition for television viewers as well as increased ownership and usage of VCR's and the use of remote controls (that are now found in 73% of TV homes, said Bigelow). Once a remote is introduced into a home, he said, channel switching increases 75%.

Bigelow and HBO Inc. believe that heavy promotion and advertising in the marketplace can substantially increase the number of viewers converting to pay television. According to the HBO executive, a $40 million advertising and promotion campaign can increase the number of subscribers by 10%. –LC

TV rep report

WFTS(TV) Tampa, Fla.—To Katz Independent Television from Blair Television.

□

WTAT-TV Charleston, S.C.—To Seltel from Blair Television.

□

KPDX(TV) Vancouver, Wash. (Portland, Ore.)—To Petry Television from MMT Sales.

□

WEHT(TV) Evansville, Ind.—To Blair Television from Katz.

□

WYTV(TV) Youngstown, Ohio—To Petry National Television from MMT Sales.

□

KMEG(TV) Sioux City, Iowa—To Adam Young Inc. from MMT.

□

WSYT(TV) Syracuse, N.Y.—To Petry National Television from Katz Television.

□

WJKS(TV) Jacksonville, Fla.—To Harrington, Righter & Parson from MMT Sales.

□

KCIK(TV) El Paso—To Petry National Television from MMT Sales.

□

WLUC-TV Marquette, Mich., and KTVO(TV) Kirksville, Mo. (Ottumwa, Iowa)—To Blair Television from MMT Sales.

□

WMSN-TV Madison, Wis.—To Petry National Television from MMT Sales.

□

KIDY(TV) San Angelo, Tex.—To Adam Young Inc. from ITS.

□

WFXI-TV Greenville-New Bern-Washington, N.C.—To Seltel (no previous rep).

Changing Hands

KSMS(TV) Monterey, Calif. □ Sold by Schuyler Broadcasting Corp. to KSMS-TV Acquisition Ltd. for $2.6 million. **Seller** is headed by William and Kristine Schuyler (husband and wife) and has no other broadcast interests. **Buyer** is headed by Joseph K. Green and Gilles S. Attia. Daniel L. Villanueva, 18.88% shareholder of VCF Management Co., partner of KSMS-TV Acquisition Ltd., has interests in KBRG(FM) Fremont, KLOK(AM) San Jose and KSRT(AM) Orange, all California. KSMS is independent on ch. 67 with 2,306.2 kw visual, 281.1 kw aural and antenna 2,365 feet above average terrain.

WHAL(AM)-WYCQ(FM) Shelbyville, Tenn. □ Sold by Tenncom Ltd. to Lenk Broadcasters Co. for $2.5 million. **Seller** is headed by Jerry Oakley and also has interest in WLHQ-AM-FM Enterprise, Ala., and WIRC(AM)-WXRC(FM) Hickory, N.C. **Buyer** is headed by Bayard Walters, who also owns WVEL(AM)-WGLO(AM) Pekin, WSHY-AM-FM Shelbyville and WMCI(FM) Mattoon, all Illinois; WKCM(AM) Hawesville, Ky., and WCTZ(AM) Clarksville, Tenn. WHAL is fulltimer on 1400 khz with 1 kw. WYCQ is on 102.9 mhz with 100 kw and antenna 820 feet above average terrain. *Broker: Blackburn & Co.*

KRRG(FM) Laredo, Tex. □ Sold by Laredo Broadcasting Co. Inc. to Sunbelt Radio Group Inc. for $1,150,000. **Seller** is headed by Lynn Gerstein and has no other broadcast interests. **Buyer** is headed by Richard N. Lea and has no other broadcast interests. KRRG is on 98.1 mhz with 100 kw and antenna 737 feet above average terrain. *Broker: Thoben & Van Huss & Associates.*

KTME(AM)-KRQK(FM) Lompoc-Santa Maria, Calif. □ Sold by Crystal Broadcasting to Nova Broadcasting for $1.5 million. **Seller** is owned by Benton Family, headed by Harry Benton, and controls KUIC(FM) Vacaville, Calif. **Buyer** is newly formed company. Gregg Peterson, general partner, is former general manager of WBBM(AM) Chicago. KTME is fulltimer on 1410 khz with 500 watts daytime and 100 watts nighttime. KRQK is on 100.3 mhz with 3,658 kw and antenna 862 feet above average terrain. *Broker: Media Venture Partners.*

KFKF(AM) Kansas City, Kan. □ Sold by KFKF Broadcasting Inc. to KCBR-AM Limited Partnership for $800,000. **Seller** is subsidiary of Sconnix Broadcasting, headed by Scott McQueen, and is licensee of WMXJ(FM) Pompano Beach, Fla.; WLLR(FM) East Moline, and WMRZ(AM) Moline, both Illinois; WIBC(AM)-WKLR(FM) Indianapolis; KFKF-FM Kansas City, Kan.; WBMD(AM) Baltimore, WQSR(FM) Catonsville and WPTX(AM)-WMDM-FM Lexington Park, all Maryland, and WLNH-AM-FM Laconia, N.H. Buyer is headed by William R. Johnson and has no other broadcast interests. KFKF is fulltimer on 1340 khz with 1 kw.

KUNA(AM) Indio, Calif. □ Sold by Southern CA

This announcement appears as a matter of record only.

December, 1989

$7,500,000

IMMI.

International Mobile Machines Corporation

Convertible Subordinated Promissory Note

The undersigned acted as financial advisor to International Mobile Machines Corporation in the private placement of the Note.

PaineWebber Incorporated